

FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-2

Kirk Alan Pessner, Treasurer  
Technology Network Federal PAC  
2600 East Bayshore Road, 1<sup>st</sup> Floor  
Palo Alto, CA 94303

SEP 11 2002

Identification Number: C00328369

Reference: April Monthly Report (3/1/02-3/31/02)

Dear Mr. Pessner:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Line 23 of the Detailed Summary Page of your report discloses a total of \$3855.12 in Contributions to federal candidates and committees. The sum of the entries itemized on Schedule B, however, indicates the total to be \$5710.24. Please amend your report to clarify the discrepancy.

-Your report discloses in-kind contributions to federal candidates, which appear to be reported incorrectly. Please amend your report to properly disclose the in-kind contributions. The first entry must disclose the name and address of the payee; the second entry must identify, as a memo entry, the name, address, office sought, state, and congressional district, if applicable, of the recipient candidate/committee, to avoid inflating total disbursements. Please refer to the enclosed sample of properly reported in-kind contributions.

A response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. Electronic filers must file amendments (to include statements, designation and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530 (at the

prompt press 1, then press 2 to reach the Reports Analysis Division). My local number is (202) 694-1130.

Sincerely,



Brandy Phillips  
Reports Analyst  
Reports Analysis Division

## 4. Itemized Disbursements: Schedule B

### When to Itemize Disbursements

#### Regardless of Amount

Several types of disbursements must be itemized regardless of amount:

- Transfers to affiliated SSFs;
  - Contributions to candidates and political committees;
  - Loan repayments; and
  - Loans made by the SSF.
- Note that refunds of contributions (Line 28 on the Detailed Summary Page) must be itemized on Schedule B only if the incoming contribution had to be itemized on Schedule A, as explained earlier in this chapter.

**Other Disbursements: \$200 Threshold**  
 A disbursement that does not fall under one of the categories listed above (such as a donation to a nonfederal candidate) must be itemized if it exceeds \$200 when aggregated with other disbursements made to the same payee during the calendar year.

### How to Itemize Disbursements

#### Categorizing Disbursements

Before beginning to itemize the committee's disbursements, separate them into the different categories listed on the Detailed Summary Page ("Operating Expenditures," "Contributions to Federal Candidates," etc.; an illustration of a completed Detailed Summary Page appears on pages 54-55). The disbursements in each category must be itemized on a separate Schedule B designated for that category.

Indicate the type of disbursement itemized on a particular Schedule B by checking the appropriate box for the corresponding line number from the Detailed Summary Page in the upper right corner of the schedule.

Some categories may require several pages. The total for each category should be entered on the bottom line of the last page for that category.

## IN-KIND CONTRIBUTIONS TO CANDIDATES

### Disclosure of In-Kind Contribution Made

#### SCHEDULE B (FEC Form 34) ITEMIZED DISBURSEMENTS

Line expense schedule(s) for each category of FEC Detailed Summary Page		FOR LINE NUMBER Itemized in Part	104.3(b)(1)
		<input type="checkbox"/> 21 <input type="checkbox"/> 22 <input checked="" type="checkbox"/> 23 <input type="checkbox"/> 24 <input type="checkbox"/> 25 <input type="checkbox"/> 26 <input type="checkbox"/> 27 <input type="checkbox"/> 28 <input type="checkbox"/> 29 <input type="checkbox"/> 30 <input type="checkbox"/> 31 <input type="checkbox"/> 32	
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions for or accepting, holding, or for any other purpose than the election and nomination of any political candidate to solicit contributions from such committee.			
NAME OF COMMITTEE OR PAC			
Capital Reasons Inc. PAC			
Full Name, Last, First, Middle Initial			
a. Grand Plaza Hotel		Date of Disbursement	
Mailing Address 19. Dupont Street		MM	YY
City: Alexandria, VA Zip Code: 22301		011	Category Type
Purpose of Disbursement Reception			
Candidate Name Barry Jones			
Other Payees: <input type="checkbox"/> House <input type="checkbox"/> Senate <input type="checkbox"/> President		Disbursement For: <input type="checkbox"/> Other <input checked="" type="checkbox"/> Other <input type="checkbox"/> Other Category	
Bank: HCO Date: 03			
Amount of Each Disbursement for Period 973.40			
(Invited) <sup>a</sup>			

Additional Reporting of Payment to Vendor --  
If Made After Goods/Services Provided.

SCHEDULE B (FEC Form 34) ITEMIZED DISBURSEMENTS		FOR LINE NUMBER Itemized in Part	104.3(b)(1)
		<input type="checkbox"/> 21 <input type="checkbox"/> 22 <input type="checkbox"/> 23 <input type="checkbox"/> 24 <input type="checkbox"/> 25 <input type="checkbox"/> 26 <input type="checkbox"/> 27 <input type="checkbox"/> 28 <input type="checkbox"/> 29 <input type="checkbox"/> 30 <input type="checkbox"/> 31 <input type="checkbox"/> 32	
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions for or accepting, holding, or for any other purpose than the election and nomination of any political candidate to solicit contributions from such committee.			
NAME OF COMMITTEE OR PAC		Date of Disbursement	
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City: Alexandria, VA Zip Code: 22301			
Purpose of Disbursement Reception			
Candidate Name Barry Jones			
Other Payees: <input type="checkbox"/> House <input type="checkbox"/> Senate <input type="checkbox"/> President		Disbursement For: <input type="checkbox"/> Other <input checked="" type="checkbox"/> Other <input type="checkbox"/> Other Category	
Bank: HCO Date: 03			
Amount of Each Disbursement for Period 973.40			
MEMO <sup>b</sup> (continued see Schedule B, Line 25) <sup>c</sup>			

<sup>a</sup>When using PACINFO, "MEMO" is entered automatically by checking the memo dining box.

<sup>b</sup>Using PACINFO, enter information here using "memo text" field. See page 43.

#### Itemized Information

Itemized disbursement information includes:

- Name of payee;
- Address of payee;
- Purpose of disbursement (a brief but specific description of why the disbursement was made—see Schedule B Instructions and 104.3(b)(3)(I)(B));
- Category Code (see instructions for Schedules B and E);
- Date of payment; and
- Amount.  
104.3(b)(3); 104.9.

#### Additional Information on Candidates

Further information is required when itemizing a contribution to a candidate committee on Schedule B. Include the candidate's name and the office sought (including the state and, if applicable, Congressional district). When itemizing a contribution or loan to a candidate committee, specify the election for which the payment was made by checking the appropriate category in the election designation box, 104.3(b)(3)(V). See adjacent illustrations.

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